



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 13, 1998

S. 2087

Wellton-Mohawk Title Transfer Act of 1998

*As ordered reported by the Senate Committee on Energy and Natural Resources
on July 29, 1998*

CBO estimates that enacting this bill would result in additional spending of about \$1 million by the Bureau of Reclamation (the bureau) over the next two years, assuming appropriation of the necessary amounts. These funds would pay for necessary environmental studies and legal transactions associated with the transfer of the federally owned Gila Irrigation Project in Arizona to the Wellton-Mohawk Irrigation and Drainage District (the district). Because the bill could affect direct spending by increasing offsetting receipts from the sale of federal land, pay-as-you-go procedures would apply, but CBO estimates that no such change would occur.

S. 2087 would authorize the appropriation of such sums as are necessary to implement a memorandum of agreement between the bureau and the district regarding transfer of the federal irrigation project to the district. Based on information from the bureau, CBO estimates that the federal share of costs to implement this transfer would be about \$1 million over the next two years. In addition, the agreement gives each party the discretion to exchange, or purchase at fair market value, certain land owned by the district or the federal government. Any such purchases or sales of federal land could result in additional federal spending or offsetting receipts. However, CBO expects that any additional land transactions would be accomplished by means of exchanges between the parties and thus would have no budgetary effect.

S. 2087 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. The district has agreed to pay a share of the costs to implement this transfer as part of its memorandum of agreement with the bureau. These costs, which CBO estimates would total about \$1 million, were voluntarily accepted by the district as part of that agreement.

The CBO staff contacts are Kim Cawley (for federal costs), and Marjorie Miller (for the state and local impact). This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.